

CITY COUNCIL STANDING COMMITTEE
Budget & Finance Meeting
Thursday, October 7, 2010 – 5:30 p.m.
1st Fl. Council Conference Room – City Hall

Present: Chair, Councilor Steven Curcuru; Vice Chair, Councilor Paul McGeary; Councilor Jacqueline Hardy

Absent: None.

Also Present: Kenny Costa; Jeff Towne; Jim Duggan; Tom Markham; Mike Hale; Nancy Papows; J.D. MacEachern; Jim Caulkett; William Doucette; Fire Chief Phil Dench; Joan Whitney; Linda T. Lowe

The meeting was called to order at 5:35 p.m. Items were taken out of order.

1. Continued Business

A) Grant Application Procedures (Cont'd from 09/09/10)

This matter was continued to October 21, 2010.

B) Discussion Related to the North Gloucester Betterment re: Final Loan (over) Payments and Process of Reimbursement to Property Owners (Cont'd from 09/23/10)

No action was deemed necessary on this matter and was considered closed.

C) Talbot Rink Enterprise Fund (Cont'd from 09/23/10)

Mr. Duggan stated the DPW Director and his team is still accumulating data to present a clear and stable budget to the Committee for the rest of the year. The data accumulation is more difficult than they anticipated and asked for a continuance for two more weeks for the establishment of an enterprise fund for the Talbot Rink. He spoke with the CFO and Auditor, and they felt the continuance was OK from their point of view but also expressed their concern.

Mr. Costa explained his concern on deficit spending on the Rink regarding deficit spending as it related to rink salaries. There is \$6,120.00 for rink revenue to date and \$27,439 has been spent for salaries (since the start of FY11).

Councilor Curcuru asked if they have been able to separate out the electric meters (that there is one meter currently for the rink and O'Maley School currently).

Councilor Hardy stated they're still looking for an electrician to do the work.

Mr. MacEachern stated all the scheduling has been turned over to Mark Cole from the last two years. The schedule repeats itself with a few deletions and additions and is now being put into his computer. He has the schedule to date. Monday evening they'll sit down with the Gloucester and Rockport Hockey coaches and will have a much clearer picture of the season's schedule through winter. He again asked how much direction Mr. Hale and Mr. Cole can give to the school [regarding scheduling]. The girl's hockey program is no longer viable. Rockport is asking that available time, particularly in the afternoon, be made available for practice. In all fairness thought they should get first call. They can be there at 4:00 p.m. or 5:00 p.m. He noted those times are not good for adult skating ice rental. He'd like to go that way and see how they come out of that. Also they would like to go through the winter season to "slide" in an hour a week in which can be \$4,000.00 [for a season].

Councilor Curcuru asked about the contracts from the prospective people who rent the ice.

Mr. Duggan stated General Counsel has provided Mr. Hale with a contract as a draft to be distributed. That is moving forward. They're also looking at other areas within the rink with Cape Ann Youth

Hockey; with the concession stands. They're looking at different revenue sources; the vending machines, anything like that to basically look at what kinds of utilities they would be using.

Councilor Curcuru asked about the procurement of the money and how it is. He wanted to know the process by which the money would come through Mr. Towne's office and that it will be all checks and no cash as relates to rented ice time.

Mr. Towne stated for any rented time, not public skating, it should be paid by check.

Mr. MacEachern added that the majority comes in as checks.

Councilor Curcuru then asked about revenue from vending machines and who owned them. He knew two were owned by the City and two were owned by another entity.

Mr. McEachern stated the two soda machines he stocks had revenues of about \$1,800 last year. He takes care of those machines from filling them to making the deposits.

Councilor Curcuru asked if Mr. MacEachern will continue to do the deposits.

Mr. Towne stated they come on a treasurer's receipt to his office for deposit like what is done in all other departments. These come to his office on a regular checking account receipt for posting to the rink revenues. It comes to his main account. They don't come in every week; something like this comes in once and a while.

Councilor Curcuru asked if all the rink revenue goes to TD Bank.

Mr. Towne replied that all the rink revenues comes through the City's funds and get deposited in the main account at TD bank. It is commingled with all of their other funds but the accounting of it is separate. Most of their funds don't have separate accounts. It's called pooled cash. So all the cash goes into a number of accounts, and then they track it through the accounting system.

Councilor Curcuru inquired about the other two machines belonging to an outside entity and asked about the split of revenue between the vending company and the City.

Mr. MacEachern stated the other machines belong to A.P. Vending. He gave the background on how the rink came to having the two vending machines. He noted it was not "huge" revenue source, and it is snacks. He didn't know the percentage split. There is no contract. He receives a check from the company who takes care of the machines from "A to Z" and sends a check to the rink. He didn't know the split or if there was a contract and would check for the Councilor.

Councilor Curcuru thought they should look at that and perhaps make a change. He then asked about the transportation office and getting it out of the rink.

Mr. Duggan stated the transportation offices will be moved out to Fuller School along with moving all the buses over there. While they're in the evaluation phase on the rink, they'll also evaluate the space being vacated by the transportation group to see what the best use is for that space. In the event that there is something going on at Fuller for the day or the evening (such as the Cape Ann Symphony), the buses will be moved back to O'Maley.

Councilor Curcuru asked can't they keep the buses there all the time.

Mr. Duggan didn't think it was arduous to move the buses for the few events at Fuller.

Councilor Hardy wanted to see the schedule to be at the meeting for this year at the Rink.

Councilor Curcuru added when they left the last meeting they had thought the schedules would be presented at this meeting.

Mr. MacEachern stated in order to do that he had to get the Gloucester and Rockport coaches into a meeting at the same time (referenced earlier); the critical part of the booking is the schools and if he will have anything extra [ice time], it would come from that meeting with the coaches.

Councilor Hardy wanted the schedule going forward as well as the schedule for the last two years, the standard contract for ice time, the policy as to revenues and billing, and the breakdown of the pricing for the rink time broken down by different types of events, and comparison to what Pingree charges at Johnson Rink for ice time as well, as the status of the installation of a separate meter for the rink from the school.

Mr. MacEachern stated their base rate may not be their negotiated rates.

Councilor Curcuru also wanted to see the breakdown for the Enterprise Fund. Knowing that there is money that needs to be spent on the rink for repairs, when they anticipated getting estimates for the costs to the repairs to the rink.

Mr. Duggan stated they're anticipating \$0.5 million at a minimum will have to be spent on repairs.

Mr. Towne added he would be meeting with Mr. Hale on Tuesday to discuss other capital projects and would bring that matter up with him as well to get the list started and see if they can put a price to it.

Councilor Curcuru asked what thoughts are regarding the promotion of the rink and how to move forward.

Mr. Duggan stated they haven't at this point.

Councilor Curcuru wondered if they could do some small amount of advertising and promoting the rink.

Mr. Duggan thought with the condition of the boards, etc. to really take that kind of approach without first making repairs would be premature.

Councilor Curcuru believed the boards and glass won't be replaced until the summer.

Mr. Duggan and **Mr. MacEachern** confirmed that to be the case.

Councilor Hardy asked about the repairs to the doors [to put back inner doors in the entry way].

Mr. Duggan stated that has to be part of the capital project. They're looking at the roof and lowering the ceiling, plus netting to surround the ice, the boards and glass and the inner doors and separating the hot water from the rink and school.

Councilor Curcuru asked if there was any outstanding revenue that hasn't been collected.

Mr. Towne stated he's just started to get involved in that situation with the Beverly Co-op who owes the Talbot Rink a bit over \$7,000.00 from last year. There is contention as to whether they're going to pay it or not. Having just received the background information from Mr. MacEachern, he has yet to contact them.

Councilor Hardy felt that this made her point regarding pre-paying for ice time; they wouldn't have to worry about filling that ice time; they've already got the payment for it. If they don't show up, and rink management didn't have the opportunity to rebook the rink, "shame on us". And they've been allowed to continue to do this.

Mr. MacEachern stated in this particular case, they knew something going in; went thought the season when the bill was presented at the end of the season, they said no (Beverly Co-op). He reminded the Committee that this was when the school ran the rink. He was responsible for the booking, billing and collecting, all done through the various Athletic Directors. Again, the school felt that was their ice. They've been giving it to them.

Mr. Towne thought the new contract would settle this kind of issue. The contract outlines the payment plans in advance. You can't get too far behind before you pay or you get shut out. He believed the new contract should identify all that and help to alleviate that problem.

Mr. MacEachern stated all major users have been notified of the contracts. There is time blocked out for the high school, JV, and Middle School. He wanted to know how much say Mr. Cole and Mr. Hale have in terms of his ability to book the ice.

Councilor Curcuru stated they have to optimize the ice time. It has to be clear, even the high school; it's 3 p.m. not 3:30 p.m. It is a business.

Mr. Duggan stated that a meeting will be scheduled with the hockey coaches.

Mr. MacEachern stated Mr. Cole would be at the coaches meeting.

Mr. Towne would like a schedule of all the categories of detailed receipt back up documentation which he hasn't seen yet. He believed it would be helpful to Mr. Hale in preparing the budget going back two or three years which Mr. MacEachern would be able to supply.

Mr. Duggan stated effective immediately they no longer accept cash for any scheduled ice time.

Mr. Towne would make that a part of their new policies and procedures.

Councilor Hardy stated they're looking for a business plan.

Councilor McGeary asked about the high school ice time not being used; are they booking time and not using it.

Mr. MacEachern stated it came up the previous year with the girls' co-op program where there were two girls varsity coaches who could not be there from time to, due to work commitments. They couldn't be there at 3 p.m. but could be there at 3:15 p.m. or 3:30 p.m. They are unable to allow the teams on the ice without a coach present. It is their ice; school gets out at 2:07 at the high school; at 2:30 they're at the rink and 15 minutes later they're on the ice.

Councilor Curcuru stated then they will be able to sell the ice.

Mr. MacEachern stated people who are looking for ice aren't looking for 3 p.m., they're looking for ice time at 5:30 p.m., 6 p.m. The ice time teams take for practice pre-season is 1-1/2 or two hours; regular practice an hour and day before a game, 50 minutes.

Councilor Curcuru stated they need to have it tightened up and have a schedule. They need make money on this rink in order to keep it open. They have to have a schedule and stick to it. And the coaches need to understand this as well.

This matter is continued to October 21, 2010.

After discussion between the Committee members, the meeting time is now to be 6:00 p.m.

2. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization*

Mr. Costa reviewed his reports submitted prior to the meeting (on file) with the Committee.

3. *Memorandum from CFO relative to Loan Authorizations for Capital Items for FY11*

Mr. Towne explained to the Committee that as a part of the B&F meetings on the budget for last year, there were a number of capital items, especially when they were talking about the debt, that they had budgeted for short-term interest that they were going to borrow. The Fire Department had requested of the Administration two rescue pumpers fully equipped. Originally they were both \$540,000.00. They're trying to get out of doing multiple large pieces of equipment in the same year so they don't have to be replaced the same year again. The Chief contended they really do need two pumpers. From the \$540,000.00, the prices went up because those were early quotes last year. One rescue pumper equipped, an Arrow 1250, included a number of pieces of equipment: hose, cutting edges, rotary saws, etc. so they don't put old equipment on a new truck. It will be ready to roll with mostly new equipment. They're not borrowing for a T-3 thermal imaging camera which was \$12,500.00 nor could he borrow long term for items such as life vests which are expendable in a couple of years. He brought the number down to \$600,000.00 which he thought between the Chief and himself would equip the truck; and he can come back and do the thermal imaging camera as part of the operating budget next year funding it out of cash rather than out of long-term debt. The Chief had \$540,000.00 plus \$22,000.00 which was an increase in the motor cost, seat belt monitor, helmet holders, dry hose reel, back-up camera, data recorder, and storage compartments on the hose cover; that's all included. He had an equipment list of \$51,662.00, and \$40,000 of that is included in this truck.

Councilor Curcuru commented the Committee never got such a list. He asked Mr. Towne the next time to kindly forward it to the Committee to give them a sense of what he was referring to when going over details of this nature.

Mr. Towne continued there was a fire brush pump truck (1), a Ford 550 Brush Truck with all the equipment, quoted as of 2/22/10 for \$127,125.00 rounded up to \$130,000.00. That vehicle comes with some forestry equipment on it as well. Station generators are for West Gloucester and Bay View, which are \$20,000.00 each plus electrical hook up and bringing them up to code for \$3,700.00 and concrete pads and excavation for the electrical conduit is \$2,500.00, bringing the total to \$26,200.00 apiece. Two of those are \$52,400.00. The towers are \$110,000 and the repeaters.

Chief Dench stated the towers are standing towers that they can put repeaters on to boost the signals for their portable radios which will improve communications with the firefighters. Now at Bay View a hand

held radio wouldn't be able to call headquarters; you have to get into the vehicle with the vehicle powered up for a stronger signal to call back to headquarters. These antennas will help them to communicate between the outlying stations to headquarters and amongst themselves in different areas as well, the coverage being so bad. The big towers (free standing) that hold the antennas will go on with boosters. These will be on Bay View and West Gloucester stations.

Councilor Hardy asked if there was anything they can do with a company coming with a new wireless facility on Kondelin Road being one of them and wondered if there was anything they could do at City Council to ask them to put one of the Fire Department's repeaters on their tower(s).

Mr. Towne stated that they did ask in Salem saying that any tower in their City limits had to leave good space within so many feet on top of the tower for emergency communications and made it a stipulation as part of their agreement and got revenue on it because it was on City land.

Councilor Curcuro wondered if they could do that with wireless facilities installed on privately owned property.

Councilor Hardy suggested it could be made a condition of the Special Council Permit if they would agree to it.

Councilor McGeary noted the company on their application stated how they can get more conductivity to the more remote parts of Gloucester for schools as well as potentially police and fire.

Mr. Duggan stated he just knew of the problem and has conversed with the CEO of Gorton's regarding the situation (a site of one of the two wireless facilities coming before the City Council).

Councilor McGeary stated when they come before P&D this could be, perhaps, be brought up. He quoted the application which said, "We are in discussions with City and State officials as to how we could help get better conductivity to the more remote parts of Gloucester for schools as well as potentially police and fire departments."

Mr. Towne stated they didn't tie the towers to the particular stations in the wording of the loan authorization. If this eliminates the need to put it on one station and then they can put it out to another outlying station to make it accessible.

Chief Dench stated getting internet computer service to the Bay View station is critical right now. They have no internet service at Bay View. There is one circuit on the old 100 mil. system which was the wired system they've been decommissioning and putting all the wireless boxes in. There's still one circuit that's 'alive', the one that goes to Bay View which they have to have in order to keep that station operating. They need the internet in order to tie the Bay View station into the new system. They're trying to deal with Comcast to get the internet into Bay View but as of now they haven't done it. Comcast is still exploring if they have high speed internet there. He had been told all along they don't; but the Comcast Government Liaison seems to think they do. They still have wires in town, one across from the fire station, which has to be moved; and they have to drop those wires.

Mr. Towne stated it is \$45,000.00 for one tower and \$16,000 for the repeaters for one tower. The repeaters are not big pieces of equipment; they're similar to an antenna.

Councilor Hardy expressed they should look at making these towers a condition of these two Special Council Permits that relate to PSWF.

Councilor McGeary asked that a note be passed to P&D.

Mr. Towne stated a letter should go from the Administration to the applicant.

Mr. Duggan stated the applicant has been in conversation with Mike Wells, IT Director; and Gregg Cademartori, Planning Director, regarding the special permit process back in the spring. There was a misconception by the applicant that they thought they would be exempt of the process. Right now the schools are taking advantage of it; they're live right now. Gorton's is not live; and they have to continue the process. Mr. Spaulding, of USALNET, the applicant, thought that because the school was involved, the entire project was exempt. But because Gorton's was involved they had to adhere to the process as it is a zoning issue. As the City Clerk explained to him, you have to notify the abutters, but the school is exempt from the regulatory process.

Councilor McGeary stated they are putting an antenna on an existing tower on Kondelin Road and will build a tower on Gorton's. He wondered where the schools came in as he didn't believe they had done anything to date and yet the schools are 'live'.

Mr. Duggan understood from Mr. Wells they are live for the schools. How they came to that conclusion, he was unable to answer.

Councilor McGeary thought for the purposes of this discussion they should probably authorize the loan; but they shouldn't hasten to spend the money until they can coordinate this possibility.

Mr. Duggan and **Chief Dench** discussed that they should speak to the applicant to possibly provide this service for the fire department; and that they would check with the people who work on the radio signal coordination to see if the location of the two towers being discussed were in locations that would be conducive for their purposes. They would speak to Mr. Wells on the issue also. The thought was if they could get this done in this manner, it would save \$130,000.00. It was noted that the City has an ordinance provides a condition of \$5,000 per each location for the Fire Department for high angle training.

Mr. Towne asked if there was money for the radio people to coordinate all that.

Chief Dench said they did. He then continued with the Fire Inspector's vehicle and explained they're looking to get a front-wheel drive Ford Escape, the smallest SUV they make. Previously the Fire Inspector had a 20 year old pick up truck and wasn't functional for what they would like him to be doing. They need him to be doing more fire investigation which is getting more involved and technical. To carry the equipment he needs for that requires a vehicle that is enclosed to store that equipment. This vehicle could also be used as an incident command vehicle. They now have between the Fire Inspector and the EMS Coordinator; they're swapping back and forth between a pick-up truck and a 1997 Ford Explorer. This would be a first step in getting one of the two men a new vehicle. The pick up is fairly new and is used to load hose after a fire. They'll try to keep the Explorer going as long as they can for the EMS Coordinator. He'd like to not use the pick up truck daily, rather, to hold it in reserve to use it to move and pick up equipment.

Councilor Curcuru asked that if the outfitting will not cost them any more.

Chief Dench stated the price includes everything.

Firefighter Mechanic William Doucette stated they the best for the price was getting front-wheel drive, \$23,934.00; this price was gotten a few months ago.

Chief Dench stated they spec'ed out front-wheel drive, but would rather have all-wheel drive.

Councilor Curcuru wondered if perhaps the prices have dropped.

Firefighter Doucette replied the prices are all from MHQ; this is a Plymouth County bid. There's no negotiating the price. If they ordered it before September there would have been a \$900 charge for the 2011 model year (estimated model year increase). If the price increase goes through it would be \$23,934.00. There is a possibility that the 2011 model year price may not go through from Ford.

Councilor Curcuru asked them to re-look at that quote.

Chief Dench added they just got a notification from Pierce that after the first of the year the pumper will go up 3%, which will likely add another \$15,000.00 onto the base price of the vehicle itself.

Councilor Hardy asked if they'll be able to beat this date.

Chief Dench stated they likely would on this particular vehicle. This was his reasoning for acquiring two vehicles instead of one; that they could have obtained a discount for ordering two vehicles at once and be able to beat the 3% increase.

Firefighter Doucette stated the bids have to be dated before November 10th and the order has to be placed by January 1st.

Councilor Hardy discussed with the Chief that the warranty for the previous two fire vehicles did not perform to expectation.

Councilor Curcuru asked about the forestry truck.

Chief Dench stated Forestry 1 was decommissioned three years ago. It was a 1955 truck. Recently, the other forestry vehicle, a pick up with the skid load, was decommissioned due to rust and disrepair. They now have only one forestry vehicle for the entire City. It is a pick up with a small skid load back, a small pump, and they throw hose on the back.

Firefighter Doucette stated the one remaining has a 200 gallon tank on it. The one to be ordered has a 500 gallon tank.

Councilor Hardy asked about warranty.

Firefighter Doucette believed it was a 3 year, 36,000 miles bumper to bumper. The other vehicle is a '97 Ford F350. He believed it to be serviceable as a back up.

Chief Dench stated the old vehicle will probably be kept in Magnolia or Bay View.

Councilor Hardy asked if this was top of the line.

Chief Dench stated it is a good truck near the top of the line; it was not the cheapest. He believed it to be a good quality truck, well built and has good equipment. They will not be transferring 45 year old equipment onto the new truck. The tools are included with the truck.

Councilor McGearry asked if the equipment on the brush truck could be transferred to another truck or is it part of one frame.

Chief Dench said it could be transferred. The rescue pumper will include some tools. They cut some things but will be equipped (as previously noted) with saws, hose, and lighting. The only thing they really took off was the thermal image camera and some small items like life jackets and small rescue equipment they'll get out of the budget. They are getting new in terms of the body and frame. This price includes new generators, a new set of Jaws, saws, axes, and halogen; all the equipment is brand new. They'll have 4 sets of Jaws now which eventually his plan is to move them to the outlying station's pumpers and get them off the rescue squads. He prefers that they're on the pumps and ladder truck.

Councilor Hardy asked when they order the vehicles that they'll have the right sized couplings, hoses, etc. to be compatible with the equipment the department already has in use.

Chief Dench assured the Councilor they'll be compatible with what they already have.

Councilor Curcuru asked what happens with the existing pumps.

Chief Dench stated this is why he asked for two pumps, and expanded on that by stating right now Engine 4 is at headquarters which is a five year old Sutphen; and Engine 6 at West Gloucester, which is also a Sutphen; Engine 3 out of Bay View they'll try to keep that pump which is in decent shape but needs some work. The pump housing has a crack in it and will need to be sent out to be repair. But it is in good enough condition that they'll spend some money out of the working budget on it. Engine 1 is in Magnolia and is running as their spare pump, from 1989 Pierce. "It's on its last legs". That one did not pass the pump test which means it's not pumping to full capacity; it's pumping at 3/4ths capacity. It's good enough where they are; they can use it. It's not the best, to ISO standards. This was why he asked for two pumps. Engine 5, which is the other 1989 vehicle (a twin to the other 1989 Pierce), would not pass the pump test and MA state vehicle inspection. He did not believe it worthwhile to invest any further in this vehicle. This new vehicle is actually replacing Engine 5. The other one would have replaced Engine 1, giving them two five year old Sutphens and two brand new pumps which would give them their four stations.

Councilor Hardy asked if all have the undercoating.

Firefighter Doucette stated the two Sutphens were ordered with Zbart rustproof coating.

Chief Dench explained that coating is from the top down on the vehicle, not from the bottom up.

Councilor Hardy wondered if there could be a rustproof undercoating so the vehicles wouldn't rust out as quickly as in the past.

Firefighter Doucette responded that the problem with the road chemicals (liquid calcium chloride and liquid magnesium chloride) used today eat the metal right out. He knew departments that have 8 year old trucks that they're looking to put new frames on. You have to wash these vehicles off.

Councilor Hardy and Mr. Duggan both noted that the City is progressively using more of these chemicals. She asked if there is something else they can do to protect the trucks.

Chief Dench was not aware of any coating that would stop the chemicals from "eating up" the frames.

Firefighter Doucette stated it is an all-stainless frame.

Chief Dench stated they won't give an extended warranty because of the chemicals used now on the roads.

Firefighter Doucette added that people think they can get the trucks to last 20 years and suggested that they'd be lucky if they lasted 15 years.

Councilor Hardy asked about the CIAB and if these are the types of items that should be on the CIAB's list; and when are they going to "bring them into the fold" and bring them up to date. This should be a regular occurrence. They should be coming to the Committee and telling them well in advance of the budget.

Councilor Curcuru sent an email invitation to Donald Fryklund, Chair and didn't hear back.

Mr. Towne stated he and Gregg Cademartori are planning on meeting with the CIAB on October 25th at 5:00 p.m. and would confirm that to the Councilors. He thought the policies he's set up in the past; he didn't do small things that are replaced in the operating budget with the CIAB. He suggested anything that is borrowed, that goes long term, should go before them.

Councilor Curcuru asked if this would normally be added into the budget for the (Fire) department.

Mr. Towne stated he added this to the short term borrowing into the budget. He would like to do the loan authorizations at the night they do the final public hearing of the budget when they vote it. He would like to do the loan authorizations at the same time so they can get started early in the season. For instance, The DPW is delayed and will get the snow trucks late into the snow season. So, he'd like to move that process up a bit and have the CIAB look at it in conjunction with the budget as they're going through it showing there are the capital items they're going to be putting forward from the Administration and let them put recommendations either yes and no on them.

Councilor Curcuru stated they OK'd this borrowing in June or July was there a reason this took so long to come to B&F.

Mr. Towne stated there wasn't any delay purposefully and should have been done in August which he felt would have been a prime time to do it.

Councilor Hardy asked if there was a current Capital Improvement Advisory list now. It is a great tool. Everything needed in the City is on it, and they prioritize it.

Mr. Towne met with them early on when he first started with the City, and they expressed frustration that they meet; and there is no funding so what is the point. More debt is coming off line in 2014, 2015 and 2016; they'll start to see them manage operating versus capital. The CIAB will have a much bigger role than they've had in the past because it's all not going to be done by consent order. It will truly be managed capital improvement and infrastructure replacement. The mechanics will be involved, the Chiefs, the DPW Director – a much more organized plan. They'll look to establish a stabilization fund for capital improvements. As money comes off line they'll be saving rather than borrowing. They're paying a certain amount down in cash each year planned with the CIAB with the Administration; plan to spend some in cash so they're not always borrowing. If they can save on the interest, they can invest more back into the infrastructure and don't give the money away, whoever the investors are.

Chief Dench has a replacement schedule for each of the vehicles in the fleet. Everything that they have has a set date when they intend to have it replaced. When they get this vehicle, 15 years from now that will be on the list to be replaced.

Councilor Curcuru suggested the vehicles they're going to buy, the fire rescue pumper, the brush truck, will take a while [to build and receive into the department].

Chief Dench and **Firefighter Doucette** believed the brush truck and the other vehicle will be pretty quick but the pumper will take a while – 7 or 8 months. The brush truck is probably four months. The inspection vehicle will come quickly.

Councilor Hardy asked for the height of the pumper truck.

Firefighter Doucette stated it would fit into the station as long as it's less than 11 ft. at 10 ft. 4 inches and it will fit through the station doors. He noted the body of the truck is a stainless steel frame and aluminum substructure. The front end can carry only so much weight. The steel piping just rots out. He also pointed out firefighters they can't drive with their helmets on. They must have them on a holder by standards.

After a brief discussion with the Committee, **Mr. Duggan** stated that the Chief would check with Mr. Wells regarding the towers and repeaters. He would check with General Counsel what action steps they need to do and have her get in touch with Councilor Ciolino.

Mr. Towne moved on to the DPW requests and noted the two dump trucks are 2011 models with a gross vehicle weight of 32,000 lbs. They get 8.3 miles per gallon at 55 mph. It is a conventional cab and is basically the full truck. The body has a sander in the back, a plow in the front, and whatever light structures are associated with it. He believed they can drop the sanders out and use it as a dump truck if necessary, but wasn't sure if the DPW Director does that.

Councilor Curcuru asked if this was a replacement vehicle.

Mr. Towne stated all three of these vehicles would add to the DPW fleet. The intention is to have two more vehicles and then use older vehicles to plow parking lots versus being out on the main roads; but he will still have the trucks available to him.

Councilor Curcuru asked about a 4x2 pick up.

Mr. Towne stated that would be intended for a day-to-day operating vehicle. They questioned Mr. Hale on that and he said this was all he needed. The pick up truck is higher, about \$302 higher (on a recent update) and the dump truck he put in a slight inflationary figure by several thousand dollars, as he has to round up to thousands and added \$1,000.00 to each one. He will borrow short term these amounts and then borrow long term the exact amounts of what was expended. On inquiry by **Councilor Hardy**, he noted the City has \$233,296,720.00 after they do this (which is the credit limit). Right now they have a gross debt of \$139,835,301.00 on what they can borrow on. The debt limit is \$312,201,655.00, their 5% debt limit based on the January 1, 2008 equalized valuation. Net debt subject to the debt limit including this issue is \$78,904,935 which nets to the remaining borrowing of \$233,296,720.00. This also includes debt that's been authorized that's unissued. They have \$10 million out there in case he ever has to refund bonds issued many years ago to save money. That won't add to the debt; that will just save interest cost if they have an opportunity to save money. There are a "whole bunch of smaller ones" to be cleaned up that they're done with. They have to do some rescinding in order to clean up the list.

Councilor Hardy asked if there is a list they get on a regular basis at B&F as to what debt is going away and what is coming on.

Mr. Towne replied they could have their Statement of Indebtedness when they finish it.

Councilor Curcuru reminded they were going to talk about Moody's and the City's bond rating.

Mr. Towne responded he had informed the Committee it had stayed the same and was going to give them an update. His recommendation would be to keep it at the \$18,000, and Mr. Hale can figure out what to do with the \$300.

Councilor Hardy stated based on information Mr. Hale gave them in the past, this year they'll look to use more liquid this year on the roads as opposed to sand and salt; and does he have a vehicle to do that or would they be looking for another piece of equipment to do that.

Mr. Duggan stated they would not be looking for another piece of equipment for that purpose this year.

Linda Lowe, City Clerk spoke to the voting machines and related the equipment the City has now which is old and antiquated. She already came to the Council to get a statutory vote under State law permitting the City to buy new machines from the Council 120 days before the election the equipment is used; what equipment is going to be used and when; and notify the Secretary of State. Once you do that, you're obligated to use it in that particular election. In other words, the Secretary of State said we could not delay delivery of the equipment. She understood the City Auditor had questions with regard to the machines being already here, asking for more money. Once the vote was taken (and had to be taken to make the purchase), then the City was obligated to use the machines in the November 2nd election. During discussion with the Secretary of State's office, they stated they had to use them now because that's what they have them down for; the City has no choice. You must use them in November. They arrived last week; and they had some training of the poll workers today. They're doing this because they basically had no choice on timing because the machines the City has had for more than 10 years are from a company ES&S; and when you go to purchase voting machines you have few options; a couple of companies who have a lock on that industry. In the past several years here was an anti-trust suit brought

by the Federal government on that very issue. They have always maintained serviced agreements with the company for the old machines, (ES&S). In 2011 they will no longer offer back up to people who own their equipment; no one will be able to service the equipment. They are highly technical, and people have to be specially trained to service them, and the parts are specialized. There was no real choice, and was why they proceeded with the purchase, looking to a company called LHS. She found they could get refurbished machines (and are used by other states) rather than completely brand new. New, the eleven machines would have cost well over \$70,000.00. Instead they cost about \$48,400.00. The other reason she was before the Committee was that this was a capital purchase. What she tried to do was tried break this purchase up into two years and pay part of the cost in FY11 and part in FY12. Mr. Costa was fairly clear that was not a good idea and possibly not permissible. Mr. Costa suggested because of the expected life of these machines that it is a capital purchase. Mr. Towne agreed they could put it in an upcoming borrowing. She anticipated the borrowing would be authorized before delivery. In a perfect world they should not have the machines already, but they couldn't prevent this purchase because of the circumstances she had just explained to the Committee. The type of machine they have purchased is vastly superior over the old ones. The majority of Massachusetts communities use the same type just purchased by the City. A representative from LHS will be in the City on Election Day to travel to the different polling sites and assisting the City Clerk's office. There is ancillary equipment also included (11 sets of ballot boxes). They then have to tabulate votes. The computer for tabulating votes was purchased in 1997. It is difficult and time consuming to get the results. If they can include in this purchase the back up software for the voting machines (GEMS software) which allows for efficient and prompt tabulation of the results as they come back in the evening; thereby giving better results and better tapes. It uses a regular dedicated laptop which would add to the \$30,614.00. It would be another \$8,850.00 and the servicing for that laptop. For each election they set up all the necessary programs for the laptop. When they were trying to get the whole system, they intended to get the entire system to function more efficiently. There is the possibility if they didn't have the software and laptop the old one might not 'marry' with the Acu-vote machines they're using which could be disastrous. On election night people want to hear the results right away. Anything that can improve that is very valuable. It would then be \$39,464 which would be everything they needed. If they had fewer polling places and in better locations, you can use modems and have instantaneous reporting from precincts (TeleReporting). The places they use for precincts are not currently set up for something like that which sometime in the future could be added to the system.

Councilor Curcuru asked if they need additional equipment.

Ms. Lowe stated what they have delivered, in addition she's talking about is that they have the ballot boxes and voting machines; this is for the dedicated laptop and the software. The laptop could be used on a limited basis for other purposes.

Councilor Curcuru asked what they spent so far.

Ms. Lowe responded it's just under \$17,786.14 on a P.O. #1008949 in the budget they had carried over.

Mr. Towne used \$60,000.00 as a place holder.

Ms. Lowe stated for the borrowing it's just under \$40,000 which includes the GEMS software and has almost \$18,000 in a P.O.

Mr. Towne added this is the net amount not including the operating budget which would be \$40,000.00.

Ms. Lowe felt that should take care of them for at least several years to come and a great improvement from what they've had in recent years.

Mr. Costa stated since they already have the product the company may be looking for payment next week.

Ms. Lowe stated in talking to LHS, it has always been agreed with them it is two payments. She told them she would pay out what is in the P.O.; and once the rest of the process is completed, and they're fine in getting the rest in the next calendar year.

Mr. Costa expressed his concern due to the unique nature of this situation which played out in this manner. He didn't want any other departments to feel that this was standard operating procedure.

Ms. Lowe stated it is so highly regulated that they were required to go out and get the equipment once the Council voted on it. There is not another purchase that is regulated in such a manner.

Mr. Towne noted it's in service first and not pay for the bond authorization amount until they get the legal authorization to borrow the money.

Ms. Lowe had all the bid documents and the procurement proceeded in an appropriate legal manner. They could also look at the Council vote as an authorization to purchase the machines. They said the City would buy 11 machines before any steps were taken.

Mr. Costa remained concerned from his perspective.

Mr. Towne stated he's looking to borrow for three years. Each component will have its own borrowing which is while they have the short term to get the cash to pay for the equipment; and then the long term is when is the best time to go to market. You can go to five and don't want to go past two before you're required to have a forced principal payment on the pay down. You borrow for one year and can renew the borrowing which is like re-upping the loan on a short term basis. A better bond rating leads to a better rate. For these he'd try to borrow as quickly as they can and qualify under the State bond act. The State's rate is better and is guaranteed off their Cherry Sheet revenue. Once they approve the loan authorization and have to go to the Municipal Bond Oversight Committee and they approve it. He thought they should borrow \$40,000 in this case, and then they'll only borrow the net cost after they pay out of the budgeted amount.

Ms. Lowe explained she had discussed with Ms. Compton (City Purchasing Agent) that it can be two or an amendment to the first one. They're flexible.

Mr. Towne stated that they're used machines and so they were probably all ready in their inventory.

Ms. Lowe stated that they have one spare machine.

Councilor Hardy asked about the handicapped voting machines.

Ms. Lowe stated they are separate and are a different manufacturer and not included in this purchase.

Councilor Hardy stated some of the machines will be paid from the P.O.; they get a purchase order in place for something they already taken delivery of so it needs to be amended before they spend it.

Ms. Lowe stated the company is not pressing her to pay it. The understanding was that it would be paid over time.

Mr. Towne stated this would go out with their short-term borrowing with the rest. He thought he may go out twice for this because he may need to borrow for a forestry vehicle, the two six-wheelers, and the pick up truck. He didn't know about the radio towers and the generators. He probably won't borrow the \$600,000.00 fully until he needs it. Once they have the authorization, they can put the bids out. They're writing the specs now. Once the Council votes the authorization, then it's the timing of the borrowing. Mr. Costa and he agree they need to clean up their borrowing so they're not borrowing \$600,000.00 and not spending it until May or June. They want to borrow it in June so they start the interest clock in June. If a partial payment is required upon ordering the vehicle(s) he will add in a short-term borrowing piece and the remaining piece when it is scheduled to be delivered. This time the full amount will not be paid until the vehicles have been tested on the road (unlike the previous purchase of a ladder truck).

Councilor Hardy stated that the bond authorization will be reduced then by \$20,000.00 pm the City Clerk's borrowing, thereby reducing the total loan authorization by \$20,000.00.

Mr. Towne confirmed that and stated the DPW 4x2 pick up will go to \$ 19,000.00 from \$18,000.00.

MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the following order:

ORDERED that up to \$1,264,000.00 (One Million, Two Hundred and Sixty-Four Thousand Dollars) be appropriated for a fire rescue pumper, a fire brush pump truck, emergency generators for the Fire Department, radio towers and repeaters, a fire inspector vehicle, two six-wheeled dump trucks equipped for snow plow operations, a DPW utility truck and election voting machines; that to meet this appropriation the Treasurer with the approval of the Mayor is authorized to borrow

up to \$1,264,000.00 (One Million, Two Hundred and Sixty-Four Thousand Dollars) under G.L. c.44 §7(9) or any other enabling legislation; that the Mayor is authorized to contract for and expend any federal or state aid available for the project; and that the Mayor with the approval of the City Council is authorized to take any other action necessary to carry out this project; and that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes.

MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed that the loan authorization for up to \$1,264,000.00 be advertised for public hearing.

4. *Memorandum from Community Development Director Requesting Acceptance of Remaining \$250,000.00 Seaport Bond Funds*

This matter is continued to October 21, 2010.

5. *Memorandum from Fire Chief re: Addition of New Fees and Increasing Current Fees*

Fire Chief Dench explained to the Committee that when he took over as Chief he started delegating to his officers. One of the results of that move was that Lt. Steve Aiello looked at what other communities were charging for inspectional services and came up with a spreadsheet with a fee schedule that would bring Gloucester up to par with surrounding cities and towns of similar size.

Councilor Hardy noted this was a good discussion to have, but that she would not be ready to vote on the matter this evening; as she had many questions regarding the spreadsheet as presented, and began by asking for an explanation as to why they chose the communities they used for their comparative analysis, as she had asked several previous evenings ago at another Committee's meeting on another spreadsheet presented for comparative analysis.

Chief Dench stated most are similar sized cities somewhat and their departments and so forth. They didn't want Rockport, Manchester, or Boston, Worcester, etc. They tried to keep in the range of the size of Gloucester.

Councilor Curcuru asked when each department uses different communities for their comparative analyses; and desired to have a standard for each time a department presents them.

Mr. Duggan noted the two examples given by the Councilors; the first one, the fee compendium those were brought forward, that this committee with the previous Chair dictated the communities that he thought that he wanted. It was in doing the previous salary survey for the department heads it was done based on population. At the O&A level, he knew there was direction/discussion of communities within the same population; they didn't get to the details as Councilor Hardy had proposed at their meeting Monday (demographics, miles of roads, median income, square miles), but wanted a broad paintbrush.

Councilor Curcuru wondered if it was in their best interest to put together a list of standard cities and towns that every department uses for comparative analysis.

Mr. Duggan believed it was a good suggested but stated they may have to deviate from that occasionally; that this is a coastal community. If they go inland and use Georgetown and North Andover, they're not a coastal community and may be dealing with something different. He agreed the comparative cities were seemingly random.

Chief Dench stated it would have been easier for them for their analysis to use a standard list.

Councilor Hardy stated there are a lot more miles to cover in Gloucester than in some of these communities. She'd like to see demographics on them. She was initially concerned that some were cities and some were towns. According to Mass general law, it doesn't come into play. She believed some of the fees listed were already being charged by other departments and asked how many times to they "hit"

the homeowner or the business. Occupancy permit: the BOH and the Building Inspector do permits for that and wondered what occupancy permit the Fire Department did.

Chief Dench stated there is one occupancy fee for the permit itself; but each one of the different departments, the plumbing inspector, the electrical inspector and the fire inspector all have to do separate inspections. They're trying to recoup the fire inspector's fee for doing that inspection. It is part of the occupancy permit. When a building constructed and finished, in order for that person to get an occupancy permit from the Building Inspector, they have to be inspected by the Plumbing Inspector, Electrical Inspector (done at different times).

Councilor Curcuru stated that is done on final inspection as part of a permit that is paid in the beginning. When the occupancy permit is required that's when everybody signs off on it and that gives them the occupancy permit. They don't come out for separate inspections for the occupancy permit. You can't get an occupancy permit without the signoffs. There is not a separate fee – its part of the original fee. He didn't realize the Fire Department was a part of the occupancy permit. They're looking for a fee for their time to go out there; there isn't one now.

Chief Dench confirmed that to be the case that there was no fee currently and they're looking to put one in place for \$25.00.

Chief Dench stated the fees all go to the General Fund.

Councilor Curcuru stated he didn't know if he was comfortable with that.

Chief Dench states each year when the liquor licenses are renewed, the Fire Department is required to do an inspection of the liquor establishments to make sure all the emergency lights work and is in compliance with all the rest of the fire codes. Each year the fire inspector inspects each one of them and gets a certificate that comes from the Building Inspector. Everyone has to do an inspection annually.

Councilor Curcuru wondered if the Administration was looking for revenue at this point because they're adding fees, in addition to raising some fees.

Mr. Duggan stated if there was an area where they are falling short or that the Chief is recommending that there is a gap in the services/activities where there is no fee attached; if they're doing something that there should be a fee attached, then there should be.

Councilor Hardy raised the question of who had said there needed to be a fee attached.

Councilor Curcuru could see increasing fees already in place; but to add a fee just to add it because we think we can, did not feel appropriate.

Chief Dench responded contractors come into the Fire Department and say they need a particular inspection, and are surprised there's not a fee for the inspection as they express that they pay fees in other communities for the same inspectional service by Fire Departments.

Councilor Hardy asked about the liquor license fee and to compare to another city, there isn't one.

Some of the other ones, rooming and lodging, theaters, group homes; other communities aren't charging for them. Some of the old fees are so old they don't use them anymore. When many were initiated the Fire Chief was the Building Inspector.

Mr. Duggan suggested continuing this matter and could have the discussion right now about the proposed additional permits to be issued; they can understand the reason behind it from the Chief. Then, if they would give some direction as to the communities they should include. He believed they could all agree that they should discard communities such as Springfield and Manchester. He thought they should look at Beverly, Salem, Saugus, Danvers, Arlington, and look at those comparisons. He believed they should look at five or six communities; beyond that would perhaps be too much.

Councilor Curcuru stated that they pick a standard group of communities and come back at the next meeting to see the demographics on them and each make suggestions.

Councilor Hardy didn't see the master box fee in the presented schedule.

Chief Dench hasn't billed anyone yet on that and had intended to do so after the first year. It is a monitoring fee. It is not a fire prevention fee which is what is in the presented schedule.

Mr. Costa asked if there was a fine schedule in addition to the fee schedule.

Chief Dench stated there were no fines. If you fail the inspection, they just don't get their permit and then they are re-inspected. There were a few establishments that didn't comply with the nightclub law

and that had to become compliant; and this is through the fire department on the liquor license renewal. They have one fire inspector without any staff to keep track of his appointments and so forth. Lt. Steve Aiello is head of the Fire Inspection Bureau. When Miles Schlichte is not fighting fires, he's overseeing the daily routine and doing SOP's. Steve Aiello, when not supervising his group spends a great deal of time working on plans reviews which Joe Mountain doesn't have time to do because he is the only one doing smoke detector inspections and many other inspections. Lt. Aiello is the one going over the plans for new hotels, for instance; he is very knowledgeable and doing a good job. Joe Mountain is the fire inspector; the only one who is assigned full time on these duties. He could use four more inspectors and two secretaries.

Councilor McGeary asked if the entire schedule was implemented, did he know how much extra money would come in.

Chief Dench didn't know.

Councilor Hardy stated on the front cover sheet it is estimated at \$100,000 of additional funds from these fees; she didn't really see how that would transpire. She quoted the letter from Joe Mountain to Chief Dench, "additionally certain permits should have to be renewed annually creating more revenue perhaps as much as \$100,000.00 and adding to public safety.", and wondered if Mr. Mountain meant by taking the additional revenue and putting it into the public safety revenue account because it goes to the General Fund.

Chief Dench stated that is where it would still go. At one time they were talking about that if the increased fees showed enough profits it would prove they could fund increases in staff to this endeavor through the General Fund, and could justify it then at \$100,000 revenue, for a position such as a secretary at \$32,000.00 which, he thought would make a good argument for funding to create that position.

Councilor Hardy referred to Mr. Mountain's last paragraph, "Attached is a fee schedule for inspections and renewal timeframe. I've not included other fees we should be charging for such as excessive false alarm responses and monitoring fees. etc." and asked when they can talk about the excessive false alarm response fees and monitoring fees.

Chief Dench referred to an ordinance in place that has not been 'kept up' for several years that says that if you have so many false alarms in such a timeframe you are fined. They've waited for the new ticketing program as the police do, and just go out and write a ticket. Prior to the new system in place, if someone was in violation they would have to take out a warrant at district court, bring them into court and go through that whole process; tedious to track and time consuming. Now that they have the ticketing process he hoped they could do it soon. Mr. Aiello has gone through the training; has the ticketing procedure and now has to train certain people to go out on a violation. That training package is being put together.

Councilor Hardy stated her main concern that if they're answering all these false alarms, they can't turn around and go to deal with a real one. They don't have as many men available to go to real fires.

Chief Dench stated false alarms are 911 hang ups; someone knocking on their neighbor's door and they're fine, burning toast and there is no conflagration. The ordinance is for a business in town, say, Cruiseport. When they first went into operation they were getting false alarms nightly. It always happened at 2:00 a.m., 3:00 a.m. Clearly, they had a problem with their new system. If they don't fix it, they'll be fined.

Mr. Duggan didn't want to give a false impression that they're missing something that has an ordinance tied to it or a fee in place, and asked the Chief to explain "etc." in Mr. Mountain's memo.

Chief Dench stated would have to ask Mr. Mountain.

Mr. Duggan responded that for discussion purposes did they want to move forward for additional fees and that would be yes.

Councilor McGeary stated that Mr. Mountain referred to certain fees that should be renewed annually and were they identified on the fee schedule.

Chief Dench stated there are others like cutting and welding permits – they get one and keep it for life. That should be renewed annually to see they have proper equipment.

Councilor McGeary noted on the spread sheet on the second to the third page. Is he recommended that, for example, day care facilities be inspected annually or that they current are inspected annually?

Councilor Hardy stated that it would have to be recommending because those are new proposed fees.

Chief Dench stated they are currently inspected annually, but that should be a fee for those annual inspections. The nursing homes, hospitals, daycare facilities are all inspected annually but there is no fee currently charged.

Councilor McGeary noted that the spreadsheet is not showing those things he is recommending be inspected more frequently.

Chief Dench thought that was part of the "etc." There may be more in the future.

Councilor Hardy thought there might be some they might not want to carry over.

Councilor Curcuru asked about the estimated amount to be brought in – an additional \$100,000 which would give them an opportunity to hire an additional employee.

Mr. Duggan would like to know how he came to that number.

Chief Dench felt the number seemed high to him also and would like to have Sue Mills to work on the numbers as she tracks all the revenues. He will go over this with her assistance. Whatever the Committee proposes regarding the list, if they want to cut the list of what they are proposing or add to the fees they are proposing by looking at the list with Ms. Mills.

Mr. Duggan asked in term of the current activities for activities for inspections that they're proposing to start charging a fee asked the Councilors to help him understand why they disagree with charging a fee for some of them.

Councilor Curcuru thought they're charging a fee just to charge it.

Mr. Duggan noted for example day care facilities annually for \$25 and now not charge anything to go in there to do the inspection and those inspections are done by the Building Inspectors and the Fire Department, and they don't charge.

Councilor Curcuru felt to him like they're raising the fees to raise the revenues to hire another employee and believed that was the ultimate goal.

Mr. Duggan stated in all fairness, everyone has been challenged to look at how to create new revenue streams without just increasing existing fees. That's why they did a fee compendium. If the Chief, as he has done, can present an argument that they're doing plan reviews, design reviews, inspections that historically in other communities reflect that is part of their inspection process, he's recommending the City capitalize on that.

Councilor Curcuru returned to the communities chosen for comparison and wondered if they were "cherry picking" those communities used.

Mr. Duggan thought the Chief would have to go back to Mr. Mountain to discover how he came to use those communities listed in the fee compendium.

Chief Dench didn't think the cities and towns were "cherry picked". Years ago when all these fees were instituted, the demand on the Fire Prevention Bureau, not only on man hours and time but on their expertise, the time they had to spend working with rules and regulations they had to work under then, are in no way what they are as strict as they are now. He referred to the nightclub fire in Rhode Island saying they didn't have enough people working on the job, and they couldn't keep up with the demand on what they needed to do to make those regulations work. "This is just a drop in the bucket" to find a way to get the personnel to get efficient enough to get all the inspections done that need to be done properly. He felt they were not increasing fees for the sake of increasing fees. The purpose behind these fee increases is that they need more staff, more equipment to be able to do the inspections properly to make sure the businesses and citizens of Gloucester are safe. It is proven through history that every big fire seen that the biggest problem is falling behind in fire prevention which he found very disturbing. This is an increase in fees to have the staff in place to do the job properly.

Councilor McGeary supposed they got \$100,000.00; would the Administration be willing to commit the money to increasing the staff for fire prevention.

Mr. Duggan stated if these are in place and come to an agreement with the projected revenues are as a result of ambulance and special services; anything above and beyond this, yes. As the Mayor has said

consistently for a couple of years, what is your plateau for ambulance revenues; say \$800,000.00. Anything above and beyond that, they've reinvested back into the Fire Department for the next fiscal year. They invested what was anticipated because they went beyond the revenue mark, into the Fire Department. If they'll sit here and say fire inspections will make X, yes they will.

Councilor Hardy stated based on these proposed fees there's an estimation of \$100,000.00 additional revenue. So if you go over that \$100,000.00, they're willing to reinvest it in the Fire Department; what if they can't make it without the monitoring and false alarm fees that aren't in front of them tonight.

Mr. Duggan stated if they get as a result of new fees, feeling that \$100,000 was being way too optimistic and proposed using \$50,000 for discussion purposes. He likened it to local option taxes. Anything above and beyond \$50,000.00 new dollars coming in from what has been historically coming in, that will go for the Fire Department for future to reinvest back to the Fire Department.

Councilor Hardy didn't want this to look like a quota program.

Mr. Duggan thought he and Mr. Towne did a good job in scrutinizing what the projected revenues and what the budgets are going to be. If the Fire Department, if any department would say they're only going to only make \$20,000.00 this year, he contended they were able to stand back and help them understand from past performances or revenue levels saying you're not going to make as much.

Councilor Curcuru asked if they do this for every department with a revenue stream.

Mr. Duggan responded they do it with the ambulance revenues. The Chief and the EMS Coordinator come forward with their projections, and they have methodically looked at the increase of rates.

Councilor Curcuru stated they raised the building fees a couple of years ago; did any of that get reinvested into that department.

Mr. Duggan stated that went to the General Fund.

Councilor Hardy stated that this is a department that could use the reinvestment.

Councilor Curcuru stated if you're going to do it you should do it for all departments.

Councilor Hardy asked about the monitoring fee; could those fee possibly go into a revolving fund that would go for the maintenance, or to take down the existing wires that we can't get rid of.

Chief Dench stated those fees haven't been charged for several years. The fees for monitoring for L.W. Bills have not been charged for he didn't know how many years and didn't know why.

Councilor Hardy heard they were getting the money being paid directly to them, not to the City; and that is how they were maintaining the wires. They're supposed to be maintaining it with the wires with the money the businesses were paying them.

Chief Dench knew L.W. Bills monitor some businesses and do it like any other alarm company that is off site. They may be charging (L.W. Bills) people with a master box but he didn't know. It is something he's only just recently noticed. They do need to start charging. All the businesses that have tied into the radio alarm box system, he told them there were going to be a \$300.00 fee; but didn't know what to do with it.

Councilor Hardy stated they need to establish a fee and get it approved by the Council before they start charging a monitoring fee.

Chief Dench added coming forward that the Fire Department would shortly be forwarding a new "menu" of fees of services that would be charged to insurance companies that insurance companies are charging everyone in their premium, and have been for some time, in their car insurance. This is pervasive in many cities and towns. It would be more fully explained when the matter comes to B&F in the near future.

The matter of the addition of new fees and increasing fees was continued to the November 18, 2010 meeting.

6. Memorandum from Fire Chief re: Acceptance of a donation in the amount of \$500.00

Chief Dench requested that the Committee recommend the acceptance of a donation by Mr. Mort Ruderman of 5 Wyoma Road in the amount of \$500.00. In a letter addressed to the Fire Department Mr.

Ruderman requested that the money be used "solely by the Fire Department and Rescue squad to purchase equipment" at his discretion. Therefore, the Chief asked that the money be put into Medical/Surgical Supply, Unifund Account #101000.10.220.55000.0000.00.000.00.054 in order to purchase five GPS units for five front-line units. He explained that most of their recently hired Paramedics are not from Gloucester feeling this would aid in prompt, accurate responses to the over 800 streets in the City. They are portable units.

MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to accept a donation in the amount of \$500.00 from Mr. Mort Ruderman to be deposited into Revenue Donations Account, Unifund Account #295001.10.121.48300.0000.00.000.00.040 for the purpose of purchasing equipment for the Fire Department and Rescue squad at the discretion of the Fire Chief.

7. Memorandum from Harbormaster re: Permission to pay FY10 invoices with FY11 Funds

Harbormaster Jim Caulkett explained to the Committee that due to an error from his office, the following bills were not properly carried over in the Crystal Report (a Unifund system report) from FY10 and was requesting these be paid from FY11 funds. Those bills are:

• National Grid	\$ 18.13
• Suez Energy Resources	29.36
• Nextel Communications	88.87
• Sprint Communications	12.45
• Verizon	57.12
• Earl's Lock Shop	141.19
• Hiltz Waste Disposal	<u>600.00</u>
TOTAL:	<u>\$947.12</u>

When questioned by **Councilor McGeary**, **Mr. Caulkett** stated that this was a procedural error and why he was here before the Committee now.

Councilor Hardy asked about the National Grid bill for \$18.00 and if there was a Harbormaster office on Washington Street. Did they have a Harbormaster's office on Washington Street?

Mr. Caulkett stated no; and thought it was likely for St. Peter's dockage. He would check to see if that can be straightened out with National Grid.

Councilor Hardy asked on the Suez bill there are three different account numbers. Two are for different slips. Why do they have different account numbers for different slips? Again, on the Suez billing, it shows a location for Washington Street.

Mr. Caulkett stated they are for different slips, and it is their billing process. He would also check the Washington Street address.

Councilor Hardy noted taxes on the Sprint bill and that the \$2.08 should be removed. And the telephone number on the Verizon bill was a fax machine which **Mr. Caulkett** confirmed it.

Councilor Hardy asked about the Hiltz Waste Disposal bill and **Mr. Caulkett** stated that was debris from the harbor, and packed a 30 yard dumpster. They don't have the DPW pay for that bill.

Mr. Caulkett stated these are logs, debris from floats that are cut up with chain saws. This has to be cut up and can take it to Kondelin Road at Councilor Hardy's suggestion.

Mr. Duggan stated the area says it could be a surcharge or fee that they don't have any clarity on. He asked they do "up to" within the motion language and wait for a confirmation on the information requested.

MOTION: On motion by Councilor McGeary, seconded by Councilor Hardy, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to approve the Harbormaster's Department to pay up to \$947.12 from FY2011 funds for bills incurred in FY10.

8. Memorandum from Health Director re: Acceptance of a Grant Amendment Award in the Amount of \$20,000.00 (Opiate Prevention)

Jack Vondras, Public Health Director asked the Committee to accept an amendment to their already in place Massachusetts Department of Public Health, Bureau of Substance Abuse services contract to provide MassCall 2 Prevention Services for an additional \$20,000.00 to be in effect through June 30, 2011. They were able to bill their benefits out immediately. This would bring the total of their annual grant of \$100,000.00 for Opiate Overdose Prevention Services to \$120,000.00. This grant is a part of the broader Healthy Gloucester Collaborative effort that the Health Department supports on substance abuse prevention in Gloucester. They're in year three of a four year grant. They do a number of strategies to look at overdose rates; they have the largest per capita overdose rate in the State. Joan Whitney and Kathy Day work on this on a regular basis drafting campaign literature; doing focus groups; and working with Fire and Police on data collection, etc. They billed out the benefits for the staff of \$20,000.00 which they charge to the State and they send to the Federal government; and they are able to use that \$20,000.00 adding to their budget programmatically (printing, hiring some consultants, etc.). They had to bill off the \$20,000 immediately. This is a very heavy personnel grant so there are not a lot of programmatic expenses.

Councilor Curcuro commented that for current employees, when the grant money goes away they go away. Their unemployment is covered from Administrative money which is funded through the grant which Mr. Vondras confirmed.

MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council a grant amendment award from the Massachusetts Department of Public Health, Bureau of Substance Abuse for the Health Department as it relates to contract #INTF2354MM3900913012 for an additional \$20,000.00 bringing the total grant award for FY2011 to \$120,000.00.

Councilor McGeary commended the Health Department and Ms. Whitney on their program for turning in old medications program, of which 100 lbs. of medications was gathered done at the Senior Center; pills that would not make their way to be sold on the street.

Joan Whitney confirmed they did collect 100 lbs. of pills. They not only work to dispose of these drugs safely but to educate the community through the care and work of all the stakeholders in the City in coordination with the Police Department. This \$20,000 is covering a lot, one of increasing the capacity of the Fire Department's on-site data collection on overdoses to give them better information than they currently have which they were able to do by enhancing the current stroke system that they already have. The other is the 'Learn to Cope' program for families struggling with a family member who is addicted which started this past June. It is now so large they have to find a new room to hold their meetings. Some of that money will help support this program, which is approved by the Bureau of Substance Abuse. Joanne Peterson, the founder is a mom who started this in 2004 because of a son, an athlete who used Oxycontin once and became addicted, and didn't know where to turn. She is now an advocate for this program and is actively helping Gloucester to launch this program on a weekly basis. They have also been working with physicians, educating them on prescribing issues. There has been a 44% drop in the most commonly diverted drugs in pharmacy activity and seen a decrease in "doctor shopping" in pursuit of drugs. They're trying to attack the problem from other angles. The Learn to Cope program is only in Massachusetts; the first chapter founded by Ms. Peterson was in Brockton. It's a peer to peer model of families helping families. It is about getting information to know what to do and also the support for the families. The second chapter opened in Salem a couple of years ago and they now have over 50-60

people at every session. Gloucester is up to almost 25 people per session. She asked them to help get the word out; and they can call her.

Councilor Hardy offered to have Ms. Whitney come before the City Council to speak about the program.

A motion was made, seconded and voted unanimously to adjourn the meeting at 9:57 p.m.

Respectfully submitted,

Dana C. Jorgensson
Clerk of Committees

DOCUMENTATION/ITEMS SUBMITTED DURING MEETING:

- **Debt Statement of the City of Gloucester from Jeff Towne, CFO**
- **Memorandum from Linda T. Lowe, City Clerk on the Loan Authorization for Purchase of Voting Machines**